

### REMARKS

Applicant has studied the Office Action dated April 29, 2004 and has made amendments to the claims. Applicant respectfully requests entry of this amendment under the provisions of 37 C.F.R. § 1.116(a) in that the amendment and remarks below place the application and claims in condition for allowance, or, at least, present the application in better form for appeal. It is submitted that the application, as amended, is in condition for allowance. Claims 1-17 are pending. Claim 1, 3-7, 11-13, and 17 have been amended. Reconsideration and further examination of the claims in view of the above amendments and the following remarks are respectfully requested.

In the Office Action, the Examiner:

- Rejected claims 1-7, 13 and 17 under 35 U.S.C. § 103(a) as being unpatentable over *Hart, III et al* (Hart) (U.S. PG Pub No. 2001/0037465) in view of *McGuire et al* (McGuire) (U. S. PG Pub No. 2003/0023489).
- Rejected claims 8-12, 15 and 16 under 35 U.S.C. § 103(a) as being unpatentable over *McGuire et al* (McGuire) (U. S. PG Pub No. 2003/0023489) in view of *Hart III et al* (Hart) (U.S. PG Pub No. 2001/0037465).

The Applicant respectfully submits that the Examiner's objection and rejections have been overcome based on the aforementioned amendments to the claims and the following remarks.

The Applicants have submitted an affidavit under 37 CFR 1.131 herewith to remove the McGuire reference. The effective filing date for the subject patent application of July 20, 2001 is not more than one year from the filing date of the McGuire reference. Accordingly, it is respectfully submitted that the rejection of claims 1-17 under 35 U.S.C. §103(a) should be withdrawn.

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Final Office Action Is Inappropriate In View of Newly Cited Art Hart III

As an initial matter, the Examiner made the Office Action final based on a new ground of rejection not stated in the earlier Office Action. Applicants respectfully traverse this decision. . In the Final Office Action, the Examiner rejects the present claims by citing *Hart, III et al* (Hart) (U.S. PG Pub No. 2001/0037465) in view of *McGuire et al* (McGuire) (U. S. PG Pub No. 2003/0023489). The Applicants respectfully point out that the Hall reference was not cited in any the previous Office Action.

According to MPEP § 706.07(a): "Under present practice, second or any subsequent actions on the merits shall be final, except where the examiner introduces a new ground of rejection not necessitated by amendment of the application by applicant, whether or not the prior art is already of record." In the previous Office Action dated November 18, 2003 (Paper no. 7) , the Examiner rejected claims Rejected claims 1-17 under 35 U.S.C. § 103(a) as being unpatentable over *McGuire et al* (McGuire) (U. S. PG Pub No. 2003/0023489) in view of *Yamada et al* (Yamada) (U.S. PG Pub No. 2002/0049677). In the previously-filed amendment, Applicants amended the independent claims 1, 7, 13, and 17 for clarity and to include an additional limitation of "determining, using an address verification system during payment clearing, a payment clearing address of the end user based upon the payment account." The Applicants did not switch from one subject matter to another or resort to any subterfuge to keep the application pending.<sup>1</sup> Thus it is respectfully submitted that the final status of the Office Action is premature and should be withdrawn.

If the Examiner does not withdraw the final status of the Office Action, Applicants submit that this response does not raise new issues in the application. It is submitted that the present response places the application in condition for allowance or, at least, presents

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<sup>1</sup> See MPEP § 706.07.

the application in better form for appeal. Entry of the present response is therefore respectfully requested.

#### Overview of the Present Invention

The present invention is directed to a method, system and computer readable medium at an electronic digital content store, such as a web site, for associating pieces of advertisement with encrypted digital content that an end user can purchase. The geographic location of the end user receiving the encrypted digital content is determined by either one or both of a geographical address associated with a payment account used to pay for the encrypted digital content or by analysis of network hops along the network path used to communicate with the device used by the end user. Payment account addresses are determined by an address verification system operated by a third party. Advertisements are selected to be associated with the delivery of encrypted digital content if the address of the end user is determined to be in a predetermined geographic region. In one embodiment, the address verification system includes using the IP address of the end user device, the country codes found in the trace routes to the IP address, and the billing address associated with an account used to pay for the requested digital content.

#### Rejection under 35 U.S.C. §103(a) as Unpatentable over *Hart* in view of *McGuire*

As noted above, the Examiner rejected claims 1-7, 13 and 17 under 35 U.S.C. § 103(a) as being unpatentable over *Hart* in view of *McGuire*. The Examiner recites 35 U.S.C. §103. The Statute expressly requires that obviousness or non-obviousness be determined for the claimed subject matter "as a whole," and the key to proper determination of the differences between the prior art and the present invention is giving full recognition to the invention "as a whole."

As noted above, the Applicant has submitted an affidavit under 37 CFR 1.131 herewith to remove the *McGuire* reference. Although the present invention predates the *McGuire*

reference, the Applicant respectfully traverses the Examiner's statements regarding teachings of the McGuire reference. To begin, McGuire is directed to providing targeted advertisements to a user in response to an information request to a content provider node (e.g., a web site) from that user. McGuire, Abstract. An information request in the McGuire reference is generally described as a request for a web page. The description of McGuire allows advertisement to be directed to users who request information from a specific web site or type of website, but a section of a site or a specific page can also be used to select an advertisement to send to the requesting user. McGuire, FIG. 9, paragraphs 53 and 137.

McGuire teaches directing advertisements based upon an estimate of the location of the end user's device. End user's addresses are described as being provided by the end user or by some third party system. McGuire provides no specifics to describe how a user's address can be determined beyond having the user enter the data. McGuire, paragraph 136. The alternative use of a "geolocation service," such as Quova, Inc., is stated but not described how Quova's system determines the user's address. *Id.*

The Hart reference is directed to a method and system for data delivery and reproduction. The data is requested and purchased by a customer and delivered to that customer through several possible paths, including by electronic communications. The delivered data is encrypted prior to electronic communication and delivery. The data package can further include advertisements that are targeted to the customer based upon customer information data, such as purchase history data. Hart, Paragraph 52.

The Applicant has amended independent claims 1, 7, 13, and 17 to more clearly describe that a payment clearing address of the end user is determined during payment clearing by using an address verification system that is operated by a third party. Support for this amendment is found in the specification at, for example, page 79, lines 16-24.

In contrast to the claimed aspects of the present invention that determine a user's payment clearing address during payment clearing by using an address verification system that is

operated by a third party, the teaching of Hart is limited to storing customer information, such as the customer's address, in a central storage facility that includes an accounting database, advertising database, title database, key server database and other functions. Hart, paragraph 53 and FIG. 3. Hart teaches the advantages of including customer information in such a central facility, including allowing the customer the freedom to access the system from any entry portal. *Id.*

The Applicant respectfully asserts that the cited references, taken either alone or in combination with one another, do not refer to, teach or suggest "determining, using an address verification system operated by a third party during payment clearing, a payment clearing address of the end user based upon the payment account" as is claimed for these amended claims. Therefore, independent claims 1, 7, 13 and 17 distinguish over the cited references for at least this reason. Dependent claims 2-6 depend from claim 1 and include all of the limitations thereof. Therefore dependent claims 2-6 distinguish over the cited references as well.

Applicant has further amended dependent claims 3-6 to more clearly describe that IP addresses are used by the aspects of the present invention claimed by those dependent claims to determine a geographical location of an end user device and that associating advertisement with the encrypted digital content is performed if that geographic location of the end user device is in the predetermined geographic region. Support for this amendment is found in the specification at, for example, page 80, lines 1-11.

The Applicant further respectfully traverses the Examiner's assertion that the prior art, and in particular the cited portions of the McGuire reference, teach the following claimed limitations that are included in claims 6, 8, 9, and 14:

performing a network trace route to the end user device;  
querying one or more IP addresses of hops, other than an IP address of the end user device, found in the network trace route in IP databases

provided by third parties;

checking one or more country codes for the one or more IP addresses of the hops found in the network trace route; and

determining the geographical location of the end user using preassigned country allocations for class C IP addresses of the one or more IP addresses[.]

The Applicant respectfully asserts that the cited prior art does not teach “determining a geographical location of an end user device” by performing a network trace route to the end user device; querying one or more IP addresses of hops, other than an IP address of the end user device, found in the network trace route in IP databases provided by third parties; checking one or more country codes for the one or more IP addresses of the hops found in the network trace route; and determining the geographical location of the end user using preassigned country allocations for class C IP addresses of the one or more IP addresses” as is claimed by these amended claims.

The McGuire reference teaches determining a location of an end user by reference to a “geolocation service” such as Quova. McGuire, Paragraph 136. McGuire is completely silent on “intermediate hops.” The Applicant respectfully reasserts from his prior response that the cited references do not teach, anticipate or suggest determining the geographic location of intermediate “hops” found in a network trace. In contrast to the teachings of the cited references, the aspects of the present invention claimed by these amended claims determine an end-user’s location by “checking one or more country codes for the one or more IP addresses of” those intermediate hops, and “using preassigned country allocations for class C IP addresses of the one or more IP addresses” of those hops.

Moreover, the Federal Circuit has consistently held that when a §103 rejection is based upon a modification of a reference that destroys the intent, purpose or function of the invention disclosed in the reference, such a proposed modification is not proper and the *prima facie* case of obviousness can not be properly made. See *In re Gordon*, 733 F.2d

900, 221 USPQ 1125 (Fed. Cir. 1984). Here the intent, purpose and function of McGuire is to use a "geolocation service." In contrast, the intent and purpose of the present invention is to use "payment account" information during "payment clearing" as a basis to determine geographical locations of purchasers. Not only does the present invention eliminate the need to have the user enter his/her address, but the present invention makes use of trusted information from a payment clearing system. This modification, as suggested by the Examiner, destroys the intent and purpose of using "geolocation" as used by the McGuire reference. Accordingly, the present invention is distinguishable over Hart taken alone and/or in view of McGuire for this reason as well.

For the foregoing reasons, independent claims 1, 7, 13, and 17 as amended distinguish over Hart taken alone and/or in view of McGuire. Claims 2-6 depend from independent claim 1 and since dependent claims contain all the limitations of the independent claims, claims 2-6 distinguish over Hart taken alone and/or in view of McGuire, as well, and the Examiner's rejection under 35 U.S.C. §103 for these claims should be withdrawn.

Rejection under 35 U.S.C. §103(a) as Unpatentable over McGuire In view of Hart

As noted above, the Examiner rejected claims 8-12, 15 and 16 under 35 U.S.C. § 103(a) as being unpatentable over McGuire in view of Hart. The Examiner recites 35 U.S.C. §103. The Statute expressly requires that obviousness or non-obviousness be determined for the claimed subject matter "as a whole," and the key to proper determination of the differences between the prior art and the present invention is giving full recognition to the invention "as a whole."

As noted above, the Applicant has submitted an affidavit under 37 CFR 1.131 herewith to remove the McGuire reference. The Applicant further reasserts his argument that the McGuire reference does not teach, suggest or make obvious the claimed limitations, included in independent claims 8, 9 and 14, of:

determining a geographical location of an end user device requesting delivery

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of encrypted digital content by performing the sub-steps of:

performing a network trace route to the end user device;  
querying one or more IP addresses of hops, other than  
an IP address of the end user device, found in the network  
trace route in IP databases provided by third parties;  
checking one or more country codes for the one or more  
IP addresses of the hops found in the network trace route; and  
determining the geographical location of the end user  
using preassigned country allocations for class C IP addresses  
of the one or more IP addresses;

As discussed above, the above limitations are not taught suggested or made obvious by the cited prior art. For at least these reasons, independent claims 8, 9 and 14 distinguish over Hart taken alone and/or in view of McGuire. Claims 10-12, and claims 15 and 16 depend from independent claims 9 and 14, respectively, and since dependent claims contain all the limitations of the independent claims, claims 10-12, 15 and 16 distinguish over Hart taken alone and/or in view of McGuire, as well, and the Examiner's rejection under 35 U.S.C. §103 for these claims should be withdrawn.

The Applicant further reasserts his remarks from above that the aspects of the present invention that determine, using an address verification system operated by a third party during payment clearing, as are claimed by dependent claims 11 and 12, are not taught, suggested or made obvious by the cited prior art. For these further reasons, dependent claims 11 and 12 distinguish over Hart, taken either alone or in combination with McGuire, and the rejection of these claims should be withdrawn.

### **Conclusions**

The remaining cited references have been reviewed and are not believed to effect the patentability of the claims as amended.

In this Response, Applicant has amended certain claims. In light of the Office Action, Applicant believes these amendments serve a useful clarification purpose, and are desirable for clarification purposes, independent of patentability. Accordingly, Applicant respectfully submits that the claim amendments do not limit the range of any permissible equivalents.

Applicant acknowledges the continuing duty of candor and good faith to disclosure of information known to be material to the examination of this application. In accordance with 37 CFR § 1.56, all such information is dutifully made of record. The foreseeable equivalents of any territory surrendered by amendment is limited to the territory taught by the information of record. No other territory afforded by the doctrine of equivalents is knowingly surrendered and everything else is unforeseeable at the time of this amendment by the Applicant and his attorneys.

Applicant respectfully submits that all of the grounds for rejection stated in the Examiner's Office Action have been overcome, and that all claims in the application are allowable. No new matter has been added. It is believed that the application is now in condition for allowance, which allowance is respectfully requested.

**PLEASE CALL** the undersigned if this would expedite the prosecution of this application.

Respectfully submitted,

Date: June 29, 2004

By: 

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Response Under 37 CFR §1.111

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Appl. No. : 09/909,564 Confirmation No. 4357  
Applicant : Michael C. PELLETIER  
Filed : July 20, 2001  
TC/A.U. : 3621  
Examiner : Firmin BACKER  
Docket No. : SOM920010001US1  
Customer No. : 23334

37 C.F.R. 1.131 AFFIDAVIT

I, the undersigned, inventor of the above-referenced patent application, hereby declare the following:

- 1) The pending claims of my above identified patent invention were rejected under 35 U.S.C. §103(a) based on the prior art reference of McGuire et al. (U.S. Publication No. 2003/0023489) with an effective filing date of June 14, 2002, based on provisional application numbers 60/362,297 filed March 7, 2002; 60/333,324 filed November 26, 2001; and 60/298,329 filed June 14, 2001 (hereinafter referred to as "McGuire").
- 2) The invention described in the above referenced patent application was reduced to a writing and signed by the undersigned applicant prior to the June 14, 2001 date of McGuire. In particular, the relevant portion of my Invention Disclosure upon which the above referenced patent application was based is attached herewith.

I, the undersigned, declare all of the above statements are made on my own knowledge, the above statements are true and correct, and the above statements are made on information that I believe to be true. I understand that false statements or concealment in obtaining a patent will subject me to fine and/or imprisonment or both (18 U.S.C. §1001) and may jeopardize the validity of the above identified patent application or any application issuing therefrom.

  
Michael C. Pelletier

June 24, 2004

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Docket No. SOM9-2001-0001US1

**Disclosure SOM8-2001-0001**

Prepared for and/or by an IBM Attorney - IBM Confidential

Created By: Michael Pelletier Created On:

Last Modified By: Robin Roberts Last Modified On:

Required fields are marked with the asterisk (\*) and must be filled in to complete the form.

**\* Title of disclosure (In English)**

Delivery of Encrypted Digital Content over the Internet with Associated Geographical Positional Advertising

**Summary**

Status	Submitted
Original Location	BOC
Processing Location	SOM
Functional Area	SWG Solutions and Integration (Tempelmeier) Div 7J
Attorney/Patent Professional	Richard Tomlin/Boca Raton/IBM
IDT Team	Scott Winters/Austin/IBM@IBMUS
Submitted Date	
Owning Division	SWG
Incentive Program	
Lab	
Technology Code	
PVT Score	40

**Inventors with Lotus Notes IDs**

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&gt; denotes primary contact

**Inventors without Lotus Notes IDs****IDT Selection**

Select Functional Area

IDT Team: Scott Winters/Austin/IBM@IBMUS	Attorney/Patent Professional: Richard Tomlin/Boca Raton/IBM
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SOM8-2001-0001 Delivery of Encrypted Content over the Internet with Associated Geographical Positional Advertising - continued

**\*Main Idea**

1. Describe your invention, stating the problem solved (if appropriate), and indicating the advantages of using the invention.

This invention provides for the capability to deliver geographical positional advertising during the download of digital content over the internet. The problem today is that owners of digital content do not have the capability to deliver an advertisement along with their digital content to a select group or audience based on a geographic position. This invention will be able to determine the approximate location of the purchaser and then supply this person with a targeted piece of advertising based on where they live

2. How does the invention solve the problem or achieve an advantage, (a description of "the invention", including figures inline as appropriate)?

Delivery of encrypted digital content is an emerging industry. The capability to attach a digital piece of advertisement (geographically positioned) along with the encrypted content does not exist. An example is in today's environment, people purchase digital music from a Web site and download it to their PC. The web site owner can identify from the person's TCP/IP address the geographic location of where this person lives. Today at the Web site, the owner can provide some forms of advertising based on who or where that individual person may live, on the web screen itself. This solution provides the capability to include advertising along with the downloadable digital content that was purchased based on a particular geographic location or position. Specifically, someone from Miami who buys a piece of digital content (music, ebooks, video, etc) would also receive a positioned advertisement on new CD players at a local Miami electronics store.

Detail: The web site determines the location of the user from the TCP/IP address during access to the web site. When a purchase is made and the download commences, the EMMS software (currently available from IBM SWG) appends the associated advertising clip for that given geographic location. Note: The possibility exists to imbed the digital advertising along with the digital content, TBD. The capability also exists that a person can purchase content with or without advertising. The difference is being the cost of the content, example: a song with advertising would cost less than one without since the company who wants to provide the advertisement would offset the cost of the song. In addition, modifications could be made to dynamically imbed digital advertising during the purchase providing the capability to change any given advertisement without affecting the actual digital content (music).

3. If the same advantage or problem has been identified by others (inside/outside IBM), how have those others solved it and does your solution differ and why is it better?

IBM currently has a software DRM solution called EMMS, this invention extends the capability of EMMS into the advertising industry.

4. If the invention is implemented in a product or prototype, include technical details, purpose, disclosure details to others and the date of that implementation.

**\*Critical Questions (Questions 1-9 must be answered)****\*Question 1**

On what date was the invention workable?

Please format the date as MM/DD/YYYY

(Workable means i.e. when you know that your design will solve the problem)

**\*Question 2**

Is there any planned or actual publication or disclosure of your invention to anyone outside IBM?

If yes, Enter the name of each publication or patent and the date published below.

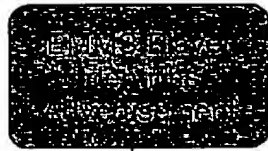
Publication/Patent:

Delivery of Encrypted Digital Content over  
the Internet with Associated Geographical  
Positional Advertising

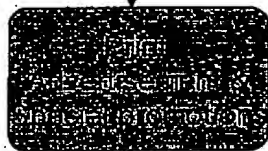
Disclosure SOM8-2001-0001

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## Dispersal of Geographic Positional Advertisements After Purchase and Download of Digital Content



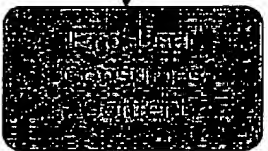
The EMMS Player identifies advertisements that were downloaded with the purchased digital content and proceeds to playback or view the associated advertisement on the end user's PC or other digital device.



Once the EMMS Player has played back or viewed the advertisement, it then determines if there are any special promotional materials supplied with the ad. It then allows the user to print off any coupons or special material that could be used in their store or other stores.



The user may also have the option to export and mail this advertisement to another person to use. This is provided for by the EMMS Superdistribution function. If the second person receives the ad and subsequently purchases something from the web store based on the Superdistribution ad, the web store could possibly "credit" the original users account for a portion of the additional revenue or other form of credit.

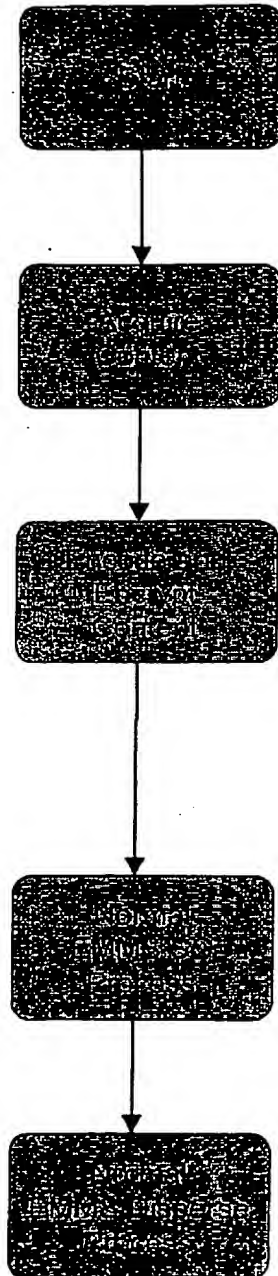


As the end user consumes the purchased digital content (music, video e-books or other) the player application constantly monitors the downloaded advertisements and their corresponding "usage" conditions. As an example if an ad were to be played during each music replay, for the next two weeks, the EMMS Player application would ensure this function was performed until the usage conditions were satisfied. Once the usage condition was satisfied, the digital ad would be deleted From the end user's EMMS digital library.



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## Content Mastering of Digital Advertising



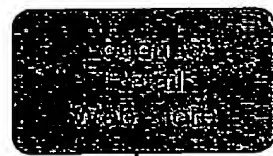
Advertising agencies will provide digital advertisements in the form of Wav, Text, Images and Video files along with usage parameters.

Associate Geographic Location (as supplied by Ad Agency)  
Metadata: Country, Region, State, City, Zip Code, other  
Usage Conditions:

1. Time Based – Run Ad for 1 day, week, month, other.
2. Run designated number of times (1-99+)
3. Run Ad during specific time periods (Jan 10-20, Mar 1-23)
4. Run Ad designated by Web Store during purchase of content.
5. Run Ad with specific digital selection (music, text, video, etc)
  1. Music Track of Madonna
  2. E-Book of War & Peace
  3. Video of Star Wars
  4. New Gameboy video game
6. Player Control – allow / disallow end user control over display or playback of advertisement.
7. Allow printing of special offer / coupon after display or playback.
8. Allow capability to send advertisement to another user or friend.

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## Dispersal of Geographic Positional Advertisements After Purchase and Download of Digital Content



User logs onto a retail web store to purchase digital content, that being digital music, books, games or videos. The web store captures user information. The minimum amount is the TCP/IP address of the user that is using the web site. This is enough information to locate the user to a given Geographic location. The web store can be developed to obtain more discrete data (city, state, zip code) based on the type of service they provide. Most of this information would be provided by the end user.

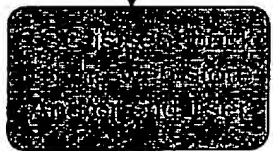


User makes a purchase from the web store. The store passes geographic location data to the EMMS EWCE software along with a data value (determined by the store) to indicated "selection based" advertisement, "store determined" advertisement or NO advertisement. If store determined advertisement is selected, the store passes information about the digital content purchased as well as the digital advertisement that will be downloaded.



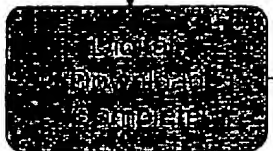
Once the EWCE software receives the request to create the TSC, it also determines the type of advertisement to associate with the purchase.

1. If NO was passed from the store, normal processing occurs.
2. If YES and a AD-identification number was passed from the store then EWCE will build the TSC which will be composed of the purchased selection as well as the advertisement.
3. If YES and no AD-identification was passed, EWCE will determine which advertisement to process along with the purchased selection by checking the usage conditions for this selection, which was set during content mastering.
4. Advertisement selection is based on the selection and geographic location of the user.



This step is part of the normal EMMS download processing.

1. End user player requests license from EMMS Clearinghouse
2. End user player then receives content from EMMS Content Host.



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